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**From:**

**Sent:** Wednesday, July 28, 2010 8:30:42 AM

**To:**

**Cc:**

**Subject:** RE: TMP in bankruptcy

Under Rev. Rule 2004-88, the trust can continue to act as TMP since it is not in bankruptcy.

Since the husband grantor/beneficiary is bankrupt, you are correct that he personally automatically drops out of the TEFRA proceeding.

As a practical matter, only the non-bankrupt wife will be subject to tax based on the TEFRA proceeding.

